

A Strategic Business Plan for Downtown Columbus



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Michael B. Coleman, Mayor

Alex Shumate, Chair Downtown Plan Task Force

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A New Vision



Downtown: Everybody's Neighborhood.

Downtown Columbus is where the best of our community comes together. From theater to hockey to music to government, downtown touches us all. Only one percent of the county's land, downtown contributes 13% of the tax base and 140,000 jobs. Yet, very real problems exist. If left unaddressed, they threaten our ability to create jobs and sustain our quality of life.

Bringing Life to the City

Last year, the City of Columbus embarked on a process to revitalize our downtown. The Strategic Business Plan represents a community-wide consensus, containing thousands of citizens' suggestions, and feedback and ideas from hundreds of community and business leaders. Most importantly it is an action plan that represents the first step in re-energizing our most important economic asset.

Downtown's renewal requires vision, money and commitment from the public and private sectors. This plan sets forth an impressive collaboration between the two that will assure success in time for our city's Bicentennial in 2012.

"Our downtown can emerge stronger than ever, reclaiming its place as a sparkling center of commerce and entertainment, shining brightly among American cities of the 21st century."

Mayor
Michael B. Coleman



Strategic Direction

The plan establishes five priorities. Progress in these areas benefits the ultimate goal of a better downtown. The Columbus Downtown Development Corporation, a newly created private, non-profit development corporation will be responsible for implementing the plan.

At its core, the plan is guided by five action strategies.

- **Build more downtown housing**
- **Stabilize the downtown office market**
- **Concentrate new, mixed-use development around City Center and along Gay Street — support City Center mall**
- **Create a riverfront park and promenade**
- **Improve parking and the movement of cars, transit and people**

"It's essential that we continue finding ways to bring in more businesses, more families and more tourism dollars to the Downtown we're proud to call home."

Matt Habash, Columbus City Council

ACTION STRATEGY:

Build More Downtown Housing

Substantially more downtown housing is essential. People living and playing downtown 24/7 will create excitement and lead to more restaurants, shops and entertainment — something we'd all like to see. While there's great interest in living downtown, the gap between development costs, and rental or sales value has made new construction and building conversions cost prohibitive.

Incentives Can Spur Housing

Current Development Costs

Cost per Unit	\$120,000
Value per Unit	\$100,000
Gap per Unit	\$20,000

Closing the Gap

75% Real Estate Tax Abatement	\$7,500
25% Additional Abatement (targeted areas)	\$2,500
Other (streetscape grants, tap fees, housing fund)	\$5,000 +
Total Incentives	\$15,000 – \$20,000

To jump start the downtown housing market, the city will offer a variety of financial incentives to cover this \$20,000 per unit gap.

Increase Real Estate Tax Abatements

To facilitate housing development throughout downtown, the plan proposes to expand the existing CRA*, as well as offer 100% tax abatements for priority projects, with a minimum abatement of 75%.

*community reinvestment area

Create a Downtown Housing Equity and Investment Fund

A new downtown Housing Equity and Investment Fund will provide low-cost capital for housing development projects throughout downtown, and will be a subsidiary of the Columbus Downtown Development Corporation.

Decrease Up-Front Costs

The city will partially fund street and sidewalk improvements around new residential units. To reduce upfront costs, the city will apply new utilities' credits against connection fees and offer additional incentives on target projects.

Increase Downtown Amenities

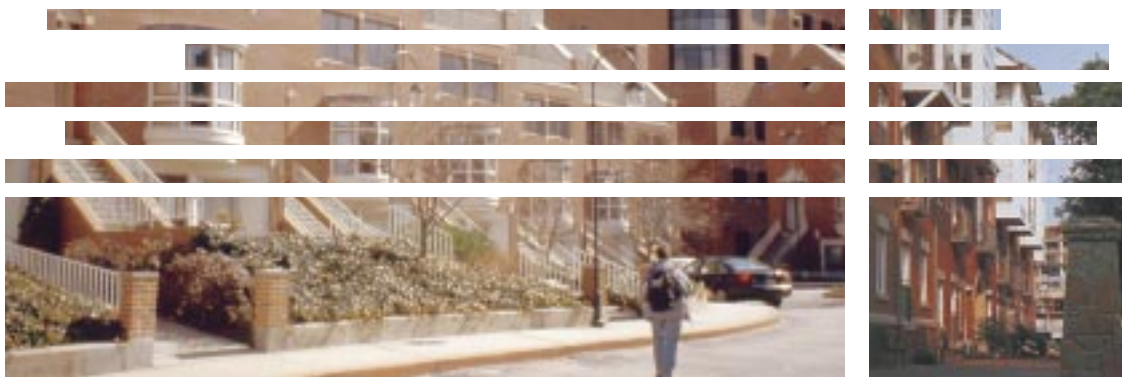
Another way to close the housing cost-value gap is by improving the downtown living environment to make it more attractive. This includes creating greenspace with the new riverfront park, improving the retail environment, and making the sidewalks more pedestrian-friendly.

Fact: Downtown housing has not inched above 2,000 units in 20 years.

Goal: Develop 10,000 housing units in the next 10 years.

"Downtown Columbus is unquestionably the heart of the larger metro area. It is critically important to strengthen our urban center by making the appropriate capital investments which will benefit all citizens of Central Ohio."

Jon Peterson, Assistant Majority Whip, Ohio 80th House District



Stabilize the Downtown Office Market



Fact: Office occupancy costs downtown are 30% higher on average than in comparable locations in the county, contributing to the 21% vacancy rate.

Goal: Reduce office vacancy rates so they equal national averages in 10 years.

The center city has been losing its share of the office market. The significant finance, insurance and real estate jobs located downtown have dropped 10% from 1990-2000. Meanwhile, outlying areas saw a 50% increase over the same time frame. The current office vacancy rate is among the highest in the nation.

Attracting and retaining private sector jobs is crucial to the revitalization effort, because a mix of employers keeps downtown vibrant and interesting. Without a concerted effort, Columbus is in jeopardy of losing more downtown office jobs to other areas.

Increase Jobs Tax Incentives

The city will introduce the Columbus City Office Incentive Program that will offer financial rewards for employers who create new jobs downtown. The city also will continue to promote the Ohio Jobs Creation Tax Credit and Columbus Jobs Creation Tax Credit, programs that encourage business relocation from out-of-state. These three programs are geared toward recruiting new business, and retaining and expanding existing ones.

"The growth of the entire Greater Columbus region is directly linked to our downtown. A vibrant downtown is critical to successfully attracting new companies with high wage, high skill jobs to Greater Columbus."

Sally Jackson, Greater Columbus Chamber of Commerce

"Downtown has always been the center of our area's entertainment and commerce, as it should be. A healthy downtown benefits us all, and makes our entire region more attractive and marketable. In addition, the existence of an energetic, urban atmosphere helps us attract the creative talent we need to sustain and grow our business...and should help create jobs and build the tax base that Columbus needs."

Leslie H. Wexner, The Limited, Inc.

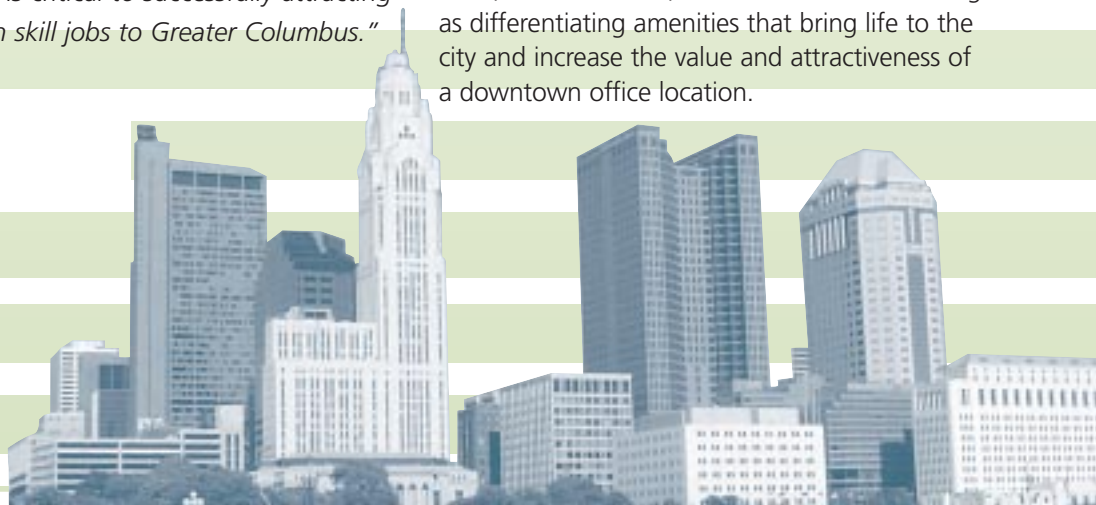


Supply New, Lower-Cost Downtown Parking

New structured parking will be constructed in areas of downtown which lack an affordable existing supply. These lots will be priced below the current market rate, which will decrease the overall cost of a downtown office location.

Create Downtown Amenities

Downtown will become more attractive when amenities improve. Businesses specifically ask for convenient parking, more parks, increased retail, entertainment, and walk-to-work housing as differentiating amenities that bring life to the city and increase the value and attractiveness of a downtown office location.



ACTION STRATEGY:

Concentrate Development of New, Mixed-Use Neighborhoods — Support City Center Mall

Successful downtowns depend on lively, bustling streets and interesting built environments. This cannot exist where there are large stretches of underutilized and underdeveloped land that interrupt the urban experience. While downtown has many successful and vibrant districts, there are still areas with significant holes. Downtown redevelopment must focus on these, with mixed-use neighborhoods that bring people, shops, and other activity back to the sidewalk level.

Develop the RiverSouth Neighborhood

Downtown Columbus between City Center and the county office complex is distressed. This stretch of downtown will be given a new lease on life as RiverSouth. The Columbus Downtown Development Corporation will partner with major local property owners — the owners of Lazarus, City Center, and the Schottenstein interests — to create a working group. Its goal is to support City Center Mall and create a vibrant, new, mixed-use neighborhood.

Reinvigorate the Gay Street Corridor

The second area of focus is along Gay Street from the river to the east. Existing buildings along Gay Street are envisioned as renovated with retail and restaurants at street level, and a mix of offices and housing on the upper floors. Tax abatements and other tools will be used to encourage this refurbishing.

Gay Street will be reconnected to Marconi Boulevard behind City Hall. Gay Street provides a source of energy linking the Arena District to Broad and High.

Fact: Private investment in the downtown core has dwindled over the last five years. Today, 17% of High Street storefronts are vacant.

Goal: Establish mixed-use neighborhoods near City Center, support City Center Mall, and revitalize Gay Street.

A tree-lined Gay Street will spur housing, retail and office development. (Artist's rendering)

"We have a remarkable opportunity to create new mixed-use neighborhoods around City Center and the newly-named RiverSouth area. Development like this has been very successful in the restoration of other downtowns and has the potential to be even more so here."

Jay Schottenstein,
Schottenstein Stores Corp.



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"Downtown is a huge economic engine for our region. It is the first impression we give outsiders about who we are and what we stand for."

Dewey R. Stokes, Franklin County Commissioner

ACTION STRATEGY:

Develop a Riverfront Park and Promenade

Fact: The number of visitors to downtown arts and cultural events, many along the river, has more than doubled since 1990 rising from two to five million people a year.

Goal: Create a riverfront park for visitors, residents and office workers to enjoy outdoor activities.

"The Columbus Foundation is making a leadership commitment to the CDDC because our downtown is crucial to the economic vitality, image, and quality of life of our community as a whole. The time to act, and to act with vision, vigor, and a heightened sense of urgency, is now."

Douglas F. Kridler,
The Columbus
Foundation

Building on the current development of the Spring Long Park, the Scioto Riverfront and the Civic Center Drive area will be transformed with a park and promenade to complement new residential and office development.

The goals of the proposed riverfront park are: to transform the Scioto Riverfront into a place for residents citywide to gather and play; to connect existing parks on the north and south ends of downtown; and to make the park part of the downtown experience.



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Artist's rendering of an expanded, redesigned riverfront park.



"Completion of the West Columbus floodwall will return a vital, secure and beautiful space along the banks of the Scioto River to the public."

Deborah Pryce,
U.S. Representative

Create a Riverfront Promenade

The first phase of work includes the project's central component — an upper promenade. The promenade, a 35-foot wide walkway along the eastern edge of the Scioto, will connect Bicentennial Park to the south and Battelle Park to the north.

Update Battelle and Bicentennial Parks

The project's second phase will not only connect the promenade to the adjacent Battelle and Bicentennial Parks, it will also redesign these existing green spaces to make them more user friendly.

Build a Lower Level Park

The next phase of the project will focus on creating a lower level park between the Broad and Town Street bridges. A dramatic water curtain anchored by native trees, wetland grasses and wildflowers will be the focal point. A looped walkway will allow pedestrians to enjoy the park without retracing their steps. The area will also include a small waterfall, islands and water pools. This water feature, created in collaboration with local artists, offers a unique opportunity to blend art and architecture with public improvement projects.

ACTION STRATEGY:

Improve Parking and the Movement of Cars, Transit and People



Traffic improvements will slow down vehicles and make the downtown environment friendlier for pedestrians, visitors and residents. To do this, the city will reduce traffic speeds and improve flow by: narrowing Civic Center Drive and restoring two-way traffic on all or parts of Civic Center Drive, Front, Gay, State, Town and Main Streets. The city will also create a more pleasing Town Street streetscape.

"It is difficult to overstate the importance of a strong, vibrant downtown to the health of a city and region. An energetic downtown is essential for the vitality of the entire region. The history of American cities makes this all too apparent.

That is why our company has been and remains committed to building and rebuilding our downtown. Columbus and Central Ohio simply must be engaged in these efforts."

John F. Wolfe, The Dispatch Printing Company

Construct Additional Parking Garages

Parking costs are a significant expense for those who live or work downtown. Surface lots are an inefficient use of land, hindering new development and creating pockets of inactivity. To better utilize downtown land and minimize dependence on surface parking, new parking garages can provide some needed relief.

The first facet of the parking strategy will be to address the shortage of available parking north of Broad Street by building new garages. Capitol South will oversee this development. The second element of the parking strategy will focus on the long-term need to use structured parking to serve the creation and growth of new mixed-use neighborhoods outlined in the plan.

Support Public Transit Improvements

Because downtown is exceptionally large and destinations are widely scattered, public transit can move people quickly and conveniently within the center city and out to neighborhoods. Smaller bus circulators and downtown light rail could provide such a solution, and plans for this are moving forward. The city supports these efforts and will work with COTA and others to ensure implementation.

"A lack of convenient, affordable parking places downtown Columbus at a significant competitive disadvantage. Until we intervene and eliminate or mitigate this disadvantage, we should expect office occupancy and housing development to languish."

John Rosenberger, Capitol South Community Urban Redevelopment Corporation

Fact: Downtown Columbus' 1,700 acres, as it is currently defined, is far larger than most downtowns including Chicago's Loop, Boston, Cincinnati and Cleveland.

Goal: Change downtown traffic and transit patterns to create a better street ambiance and pedestrian experience.



Target Date: Columbus Bicentennial 2012



Bringing Life to Our City

This plan illustrates a vision — the downtown of the future. It identifies and crafts the tools for advancing this vision, defines goals, sets standards, and most importantly, provides strategies for moving forward.

Capital Program — \$100 Million Public Commitment

Downtown suffers from underinvestment. Public spending is required. Ultimately this will leverage considerable private dollars, just as it has elsewhere in the region.

- Citizens offered more than 1,000 great ideas for the plan.

- Over 100 community leaders provided strategic direction for its development.

- Downtown Columbus Advisory Committee and Downtown Columbus Task Force members counseled and guided the plan's creation.

The City of Columbus has committed to allocating \$10 million the first year for projects that will have an immediate impact and lay the foundation for future success. The city has pledged a total of \$100 million for downtown investment between 2002 and 2012. When supplemented by private sector investment and other government funds, the total investment in downtown should exceed \$250 million.



Columbus Downtown Development Corporation — A Public/Private Partnership

The overall mission of the new Columbus Downtown Development Corporation (CDDC) is to oversee downtown development projects and programs, and to forge public-private partnerships with the goal of generating private investment. The Housing Equity and Investment Fund will serve as an investment tool to provide gap financing for projects.

CDDC is a private, not-for-profit corporation that will use private sector expertise and practices to deliver on a very specific set of public goals. The chair of the new board is Dr. E. Linn Draper, President and Chief Executive Officer of American Electric Power.

To date, the CDDC has raised approximately \$950,000 for operating expenses through city and county funds and private sector gifts.

"The Arena District has been an important component in revitalizing downtown as a destination to live, work and play. As one of the region's largest employers, Nationwide believes a dynamic downtown is essential in attracting and retaining a quality workforce."

W. G. Jurgensen,
Nationwide

"This plan is very focused on implementation — not only did we analyze the issues and determine ways to address them, we developed action steps to solve them."

Alex Shumate,
Downtown Advisory
Task Force, Chair

"This is more than a vision. It is a plan with specific strategies that, when fully implemented, will result in a re-energized downtown."

E. Linn Draper, American Electric Power